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UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

In re
Micha Star Liberty

Debtors.

Case No. 24-40401 WJL

Chapter 13

**DECLARATION OF MICHA
LIBERTY IN SUPPORT OF
MOTION FOR ORDER
EXTENDING THE AUTOMATIC
STAY TO NON-DEBTOR
DEFENDANTSTO LITIGATION;
MOTION FOR DAMAGES FOR
STAY VIOLATION;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT
THEREOF**

Date: TBA

Time: TBA

Ctrm:

U.S. Bankruptcy Court
1300 Clay Street, 2nd Fl.
Oakland, California

I, Micha Liberty, hereby declare:

1. I am the debtor in the above-entitled chapter 13 case.

2. I know the following of my own personal knowledge and could and would testify
competently thereto if called upon to do so, except as to those matters stated on information and

1 belief, and as to those matters I believe them to be true.

2 3. I am seeking an order extending the automatic stay to third party defendants
3 Liberty Law Office, Inc., Liberty Law, Inc., and Linda Culler, Trustee of Rising Sar Trust dated
4 October 15, 2021 (“Culler”), regarding the state court actions of Lisa Bloom and the Bloom Firm;
5 a fraudulent conveyance action entitled *the Bloom Firm, a Professional Corporation vs. Michael*
6 *Star Liberty, an individual, Liberty Law Office, Inc., Liberty Law, Inc., and Linda Culler, Trustee*
7 *of Rising Start Trust dated October 15, 2015* filed as case 23CV047497 in the Alameda County
8 Superior Court (the “FT SCA”) and a post-judgment collection on a judgment entered in a
9 declaratory relief action entitled *Micha Star Liberty, an individual; and Liberty Law Office, Inc.*
10 *vs. Lisa Bloom and The Bloom Firm* filed as case HG20079536 in the Alameda County Superior
11 Court (the “Dec Relief SCA”).
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13 4. Extension of the stay to Liberty Law Office, Inc. and Liberty Law, Inc. is
14 appropriate and necessary here because I cannot propose a plan of reorganization if my business
15 entities are subject to collection efforts by Bloom. I am the sole owner of these businesses.
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17 5. Bloom’s actions are impacting the estate’s property interests, and my time must be
18 devoted toward reorganizing and my employment rather than defending two state court actions for
19 which the sole purpose is to collect a debt from me.

20 6. On or about August 23, 2019, I, via my solely owned corporation, Liberty Law
21 Office, Inc. entered into a Joint Venture (“JV”) and Joint Venture Agreement (the “JVA”) with
22 Lisa Bloom and The Bloom Firm.
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24 7. Problems with the JV arose quickly thereafter as I had concerns over how Bloom
25 handled cases, such as Bloom’s trying to achieve quick settlements to the detriment of clients,
26 hiding her work for Harvey Weinstein from me and the JVA clients, and Bloom’s failure to pay all
27 costs per the JVA. Further, Bloom did not obtain written consent of clients agreeing to joint
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1 representation and fee sharing as required by California law.

2 8. On March 20, 2020, Bloom fired all of the staff attorneys dedicated to the JV,
3 failed to pay all the required costs to Liberty Law, and abandoned the clients in violation of CRCP
4 1.16. Bloom thereafter filed notices to withdraw from the joint cases and filed liens demanding
5 50% of the attorney fees from the joint cases.

6
7 9. After Bloom served a demand for arbitration pursuant to the JVA, I was forced to
8 file a declaratory relief action in Alameda County Superior Court to determine whether a valid fee
9 sharing agreement existed and was enforceable; whether Bloom was entitled to quantum meruit
10 fees if the agreement was unenforceable; and a stay of arbitration pending decision on the
11 enforceability of the agreement.

12 10. Bloom moved to compel arbitration, which I did not oppose, and we arbitrated on
13 or about August 25, 2021, over three weeks with 7 days of argument and testimony.

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15 11. The arbitration panel entered an award requiring Liberty Law Office, Inc. to pay
16 Bloom a total of \$821,400.70 on resolved cases and 50% of the amounts due on delineated cases
17 that were still unresolved as of the date of the award. The award also required Liberty Law Corp to
18 pay Bloom an additional \$160,020.00 for arbitration fees.

19 12. On January 28, 2022, the Alameda County Court granted Bloom's petition to
20 confirm the award. I have appealed the award which is currently pending before the First
21 Appellate District. The judgment is not stayed because I could not post a bond at the percentage
22 Bloom would agree to.

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24 13. Bloom immediately began aggressively collecting on the judgment. I formed a new
25 entity to continue practicing law and attempted to negotiate a settlement with Bloom.

26 14. On October 30, 2023, Bloom moved for an amended judgment to name my new
27 law corporation, Liberty Law, Inc. and myself, individually, as judgment debtors under an alter-
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1 ego theory of liability. The state court found that I am the alter ego of Liberty Law Office, Inc. and
2 that Liberty Law, Inc. is the successor to Liberty Law Office, Inc. and granted the motion to
3 amend the judgment to include myself, individually, and Liberty Law Office, Inc. as judgment
4 debtors, see Request for Judicial Notice (“RJN”) Exhibit A.

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6 15. Bloom continues to collect on her judgment, which is causing me to incur costs to
7 now defend a fraudulent transfer suit against myself individually, the successor law firm and my
8 mother, Linda Culler, as Trustee of the Rising Star Trust. I am also being compelled to respond to
9 discovery and demands related to Bloom’s post-judgment Order for Examination.

10 16. In early March, I retained bankruptcy counsel and at the same time paid Bloom
11 \$400,000 toward the judgment. My bankruptcy counsel attempted to meet informally with
12 Bloom’s counsel to see if a settlement and payment plan could be reached, and while Bloom’s
13 counsel was agreeable to meeting, Bloom’s counsel would not halt collection efforts in the
14 meantime and filed a motion to appoint a limited receiver, see RJN Exhibit B.

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16 17. Additionally, Bloom is suing my mother, Linda Culler as a fraudulent transferee,
17 because Culler serves as trustee for my revocable trust which holds title to my primary residence.

18 18. I filed my pending Chapter 13 Petition on an emergency basis to seek protection
19 from Bloom’s collection efforts, which are significantly impairing my ability to practice law and
20 effectively reorganize.

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22 19. My bankruptcy counsel and state court counsel provided notice to Bloom of my
23 Chapter 13 Bankruptcy. A Notice of Bankruptcy was filed in the SCA.

24 20. On March 26, 2024, Bloom filed a Notice the Proceedings are Not Stayed as to
25 Non-Debtors asserting that the stay does not apply to Liberty Law Office, Liberty Law, Inc. and
26 Culler, see RJN Exhibit C.

27 21. My employment and income is solely derived through my practice of law. Bloom
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1 has established that my corporations are alter-egos, and for practical purposes I cannot reorganize
2 if Bloom's collection efforts and receivership action are allowed to continue.

3 **22.** Since Linda Culler is the trustee of my revocable trust, the stay applies to my trust.
4 There is no reason to maintain a separate action against her as trustee, all of the trust property is
5 property of my bankruptcy estate and the stay must likewise apply to Linda Culler as Trustee of
6 the Rising Star Trust.
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8 **23.** For the reasons stated herein, I respectfully request that the Court enter an order
9 extending the automatic stay to Liberty Law Office, Inc. and Liberty Law, Inc., for and order
10 declaring the stay applies to Culler as Trustee of the Rising Star Trust Dated October 15, 2021, for
11 sanctions for Bloom's violation of the stay in asserting to the state court that it does not apply to
12 Culler.
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15 Dated: April 2, 2024

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17 /s/ Micha Liberty
18 Micha Liberty
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